

FEBRUARY 28, 2006

**CITY OF GUNNISON COUNCIL
REGULAR SESSION MINUTES**

7:00 P.M.

The Regular Session was called to order at 7:00 P.M., by Mayor Ferguson with City Councilors Medina, Harriman, Miller and Nesbitt present along with City Manager Coleman, City Clerk Davidson, Community Development Director Westbay, Finance Director Hanson, Public Works Director Bradford, Water Superintendent Balch, Electric Superintendent Pollard, several interested citizens and the press. City Attorney Landwehr was absent, out of town.

Mayor Ferguson asked that this evening's agenda be amended to add Item E. under New Business: "Department of Local Affairs Energy/Mineral Impact Assistance Grant Contract EIAF #5398 for the West Gunnison Neighborhood Plan". Council agreed to add the item to the agenda.

FEBRUARY 28, 2006

PUBLIC HEARING

7:00 P.M.

Mayor Ferguson called the Public Hearing to order at 7:01 P.M. and stated the reason for the public hearing is to gather public input on the proposed increase in electric rates charged by the City Electric Department for electricity consumed. Mayor Ferguson then asked the City Clerk for proof of publication, which Clerk Davidson provided.

Mayor Ferguson then asked for any staff input. Public Works Director Ken Bradford came forward and stated the reason for the rate increase is due to the increased purchased power costs the City has to pay. The energy rate analysis recommended an 11% increase to all electric rates, however, Council asked for a lesser increase and the proposed rate reflects a 6% rate increase in all classes, along with 50 cent service charge increase for all rate classes and an increase in the WSC service charge. If passed, the rates will be effective March 1, 2006. There were no further questions from Council.

Mayor Ferguson called for public input. There was no public comment. Mayor Ferguson asked for any written comments and City Clerk Davidson stated none were received.

Mayor Ferguson called for any further input and hearing none, closed the public hearing at 7:04 P.M.

Consideration of Minutes:

Regular Session Meeting Minutes of February 14, 2006

Councilor Nesbitt moved and Councilor Medina seconded the motion to approve the Regular Session minutes of February 14, 2006, as submitted.

Roll call vote, yes: Medina, Harriman, Ferguson, Nesbitt. So carried.

Roll call vote, no: None.

Roll call vote, abstain – Miller was absent.

Pre-Scheduled Citizens:

Beth Avery – Gunnison Farmers' Market Multi-Day Special Events Permit. Ms. Avery informed Council this will be the third year for the market. This year they will have an independent entity with non-profit status. She cited three successes: 1. visitors to the City stopped in town because of the market and shopped not only at the farmers' market but in the local shops and ate in the restaurants; 2. the market created a sense of community with many locals participating each week; and 3. two local businesses were able to expand due to their exposure at the market.

Councilor Medina wanted to make sure the IOOF Park area is cleaned up right after the market each Saturday. Councilor Nesbitt asked what the mix of residents to out of town visitors was at each market. Ms. Avery approximates a third of the shoppers were out of town tourists. Last year they estimated they served about 5,000 people. The market was quite busy at Cattlemen's Days. Ms. Avery clarified that money collected from the booth spaces pays for advertising, entertainers and insurance. Ms. Avery stated the Gunnison Valley Farmers' Market will be included on this year's state-wide market calendar. TL Livermore estimated that approximately \$900 in City sales tax was collected last year at the market.

Councilor Nesbitt moved and Councilor Miller seconded the motion to approve the multi-day special events permit for the 2006 Farmers' Market.

Roll call vote, yes: Harriman, Ferguson, Miller, Nesbitt, Medina. So carried.

Roll call vote, no: None.

Tara Kindall – Update from City Liaison on Gunnison Chamber of Commerce Board of Directors. Ms. Kindall stated she's been involved in the Chamber for a number of years and she'd been elected to a three year term on the Board starting in 2006. She then reviewed for Council of some of the items the Chamber Board has been addressing. These included: the Chamber is sponsoring a human resources workshop on Thursday March 30, at 5:30 P.M. and is open and free to Chamber members; the Chamber has reorganized some of their committees into three working groups; and they hope to be more of a force in the community.

Unfinished Business: None.

New Business:

Action on VF-0601; Re: Alley Vacation Application from Chris Macarak of Gunnison Development Co., LLC, to vacate a north-south alley located adjacent to Lots 1 through 12, Block 24, Guerrieri Addition, City of Gunnison. Steve Westbay stated the applicant has requested this item be removed from this evening's agenda and be placed on the March 14th agenda. Council agreed.

Award of Bid for Sewer Camera. This item was discussed at last week's Work Session meeting of Council.

Councilor Nesbitt moved Councilor Miller seconded the motion to award the bid for the Aires pipe TV inspection system to DW Inspection Systems of Henderson, CO, in the amount of \$66,715 within the budgeted amount.

Roll call vote, yes: Ferguson, Miller, Nesbitt, Medina, Harriman So carried.

Roll call vote, no: None.

Purchase of Bidwell Right-of-Way from Dale Garrett. This item has been discussed at several prior Council meetings. City Manager Coleman showed Council a plat, prepared by surveyor Tim Pearson, of the property to be purchased. Purchase of the property will allow for the widening of the Bidwell Avenue right-of-way from 50 to 90 feet wide and will allow access from the W. Frontage Road into the Guerrieri Addition. Mr. Garrett is agreeable to the proposed contract. Manager Coleman informed Council if they agree to proceed with the purchase he will meet with the abstract company tomorrow morning to begin the title commitment process. City Attorney Landwehr will prepare a resolution to approve the execution of the purchase and an ordinance to appropriate the funds from reserve for Council consideration at the next Regular Session.

Councilor Miller moved and Councilor Nesbitt seconded the motion to authorize the City to enter into an agreement for the purchase of the property from Western Lumber Inc. in the amount of \$86,420.00.

Roll call vote, yes: Miller (hoopa), Nesbitt, Medina, Harriman, Ferguson. So carried.

Roll call vote, no: None.

4th Quarter 2005 Financial Update. Finance Director Hanson updated Council with the following: In the General Fund, expenses were over revenues in several accounts but the bottom line total came in under budget; interest rose in the last quarter of 2005 and we expect that to increase in 2006; In the Conservation Trust Fund there will be large changes in the dispersal of mineral leasing monies to the ditch fund in 2006; the Fleet Fund balances out; there were savings in both operational and capital expenses in several funds; revenues in the Water Fund were above what was budgeted; net increase to cash in the Wastewater Fund was \$301,542; in the Refuse Fund net decrease to cash was \$21,569; the Communications Fund expenses were under the total revenues; and as always, Cranor Hill expenses were over revenues due to start up costs of Cranor. Currently there is \$30,300 in the Insurance Fund. The General Fund monies haven't been paid back from 2005 as of yet; but it looks like we're having a turn around in the insurance fund and we should be getting a further refund in March. Council thanked Finance Director Hanson for the good report.

Department of Local Affairs Energy/Mineral Impact Assistance Grant Contract EIAF #5398 for the West Gunnison Neighborhood Plan. City Manager Coleman informed Council that the City Attorney has not reviewed this contract but it is DOLA's standard grant agreement. The grant is for the West Gunnison Neighborhood Planning Project in the amount of \$50,000. There are matching funds budgeted from the City and the County. This is an early award without going through the hearing process.

Councilor Miller moved and Councilor Medina seconded the motion to accept the Department of Local Affairs Energy/Mineral Impact Assistance Grant Contract EIAF #5398 for the West Gunnison Neighborhood Plan and to authorize the Mayor and City Clerk to sign said contract.

Roll call vote, yes: Nesbitt, Medina, Harriman, Ferguson, Miller. So carried.

Roll call vote, no: None.

Ordinance and Resolutions:

Ordinance No. 3, Series 2006, Re: Amending the Rates to be Charged by the City of Gunnison Electric Department for Electricity Consumed; 2nd Reading.

Councilor Nesbitt introduced Ordinance No. 3, Series 2006, and it was read by title only by the Mayor with the new rate values.

Councilor Nesbitt moved and Councilor Medina seconded the motion that Ordinance No. 3, Series 2006, **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GUNNISON AMENDING THE RATES TO BE CHARGED BY THE CITY OF GUNNISON ELECTRIC DEPARTMENT FOR ELECTRICITY CONSUMED**, be introduced, read, passed and adopted on second reading this 28th day of February, 2006.

Roll call vote, yes: Medina, Harriman, Ferguson, Miller, Nesbitt. So carried.

Roll call vote, no: None.

City Attorney: Rod Landwehr: Out of town.

City Manager: Ken Coleman: Informed Council he attended the CCMA meeting in Glenwood springs last week. He then attended the CDOT Commission meeting on Saturday in Grand Junction where upcoming projects, including the 2007 Hwy 50 & 135 overlay project and the 2008 Blue Creek Canyon widening project were discussed. Manager Coleman said CDOT also discussed the Spencer Avenue intersection work that will take place this summer. This morning Manager Coleman attended the Chamber of Commerce's new Services and Commerce Council meeting where he was welcomed and asked to attend in the future. Manager Coleman reviewed the list of equipment bids that will be forthcoming. These are all under \$50,000 and do not require Council action but he wants Council to be informed of the purchases.

Acting City Manager: Community Development Director Steve Westbay. Updated Council on the Community Development Departmental report found in their packets. In summary he reviewed the Fire Dept calls, 108 building permits were issued last year, there were lots of applications processed through the department, and if Council has any questions please contact him. Director Westbay then informed Council about a problem that arose concerning improper installations of furnaces by a local firm in the community. The furnaces have been red-tagged. The Building Department is looking into requiring certification for HVAC system installation and repair. Montrose is requiring this type of certification. They will bring this certification proposal forward to Council at a future work session. Director Westbay has met with the RTA Ground Transportation Committee and they will meet again on March 23rd here at City Hall. Discussion ensued on the zoning of sexually oriented businesses and zoning regulating where churches can be allowed.

Councilor Harriman asked about the household hazardous waste disposal program. Discussion ensued. The Fire Marshal is taking the lead on this and it is tentatively scheduled for September.

City Clerk: Gail Davidson: Informed Council the Community Clean-up kick off meeting took place last evening. The date of the event is Saturday, April 22nd, which is also Earth Day and the College's Springfest date. Clerk Davidson informed Council the City has received the new "Elected Officials Guide" from the Colorado Municipal League. If any of Council would like to review it, please let her know.

Non-Scheduled Citizens: None.

General Discussion/Items for Work Session:

Councilor Harriman: Report on Planning & Zoning Commission Meeting. Last week they discussed a conditional use application for an accessory dwelling. There needs to be a mechanism to track a conditional use if the property sells. It was agreed this issue should be discussed during the review of the Land Development Code. Also at the meeting, Housing Director Denise Wise gave a presentation on housing issues. The P&Z Commission is also working on the Master Plan update.

Councilor Miller: Reported on the CML Legislative meeting and the CML Policy meeting he attended in Denver. They discussed the 500 or so bills being heard this session. Councilor Miller then reported on the Region 10 meeting he attended in Montrose; Region 10 is truly a mess right now. Executive Director Leslie Jones has resigned as well as two staff members. They have returned a grant back to the State, but are leaving AAA in place. Councilor Miller was the only member voted against the new staffing. Delta and Ouray are running the “bus”. The rep. from Lake City is also involved. The new leadership has pulled all help to local communities. The Executive Committee will meet in a couple of weeks. Council discussion ensued.

Councilor Nesbitt: Reported on a Gunnison High School site accountability meeting he attended. Discussion on the proposed schedule change ensued. Councilor Nesbitt asked Manager Coleman or Finance Director Hanson to poll the employees and see if there is a concern about this issue. Mayor Ferguson stated he doesn’t think this is a Council issue, if an employee has a concern then they need to address the School Board. Councilor Nesbitt also discussed the potential for a large number of construction workers coming to Gunnison for a variety of projects and the potential housing problem.

Mayor Ferguson, Councilor Medina: Nothing further to report.

Adjournment: At 8:43 P.M.

Mayor

City Clerk